

*Canada Development Corporation*

er force in the markets of the world than at the present time. It is not going to make funds available for research and development. Why in heavens name is it on the order paper except for the government to seek to fool the Canadian people into thinking that the government is doing something about Canadian ownership which, in fact, it is not doing? There is no other explanation for this deformed, mental aberration which the Minister of Finance (Mr. Benson) has produced on behalf of this government. It will do nothing except create another agency to help the private corporations which, God knows, need no help from this government or, if they do, receive enough help.

Some time ago I calculated the grants that are made to the private corporations of Canada out of the public treasury through the various programs. Most of these corporations are foreign owned. I calculated that over \$1 billion a year of Canadian taxpayers money is paid to these large, poverty stricken corporations which we constantly help with incentive grants, capital grants, research grants, development grants and every other kind of grant imaginable. The government is putting \$250 million into this agency for the purpose of giving more assistance to the large corporations, most of them foreign owned, which already control and in most cases choke the independence of Canada on the economic front.

**Mr. Boulanger:** What did they do for the country?

**Mr. Lewis:** They do not do anything that the country could not have done for itself.

**Some hon. Members:** Hear, hear.

**Mr. Lewis:** There is a myth which the Liberals and Conservative accept, that is that Canada needs foreign investment. The hon. member who made the interjection has not made a statistical computation. If the Minister of Finance, who knows better, were honest with Parliament and the people of Canada, he would tell us the truth. In the past few years, we have had a net loss as a result of foreign investment in this country. We shipped out of this country in profits, interest, management fees and licence fees more than is invested in direct investment from outside of this country. It is true that the foreign owned corporations are able to expand their control and they do, but they do that with Canadian money, not foreign money.

● (2:40 p.m.)

Recently, the Ryerson Press was taken over by an American firm. We lost it. Where did the capital come from to take over this Canadian company? It was not from New York or Chicago, but the money markets of Canada. Every dollar borrowed was borrowed on the Canadian money market to enable Ryerson to become a publishing house controlled by a large United States publishing firm. This is what has been happening in Canada. This nonsense about our needing foreign investment is a myth, a story which is told across this country by people who know better and which is innocently spread by people in this country who ought to

[Mr. Lewis.]

know better. We do not need foreign investment any more. We generate the largest proportions of savings of any other western industrial nation. If those savings, and the investments which could be made with them, were channelled in the right direction and used in accordance with a public plan for the welfare of the Canadian people this terrible dominance of foreign capital would disappear in the course of a very few years. If at any time we were to require additional money from outside we should pass laws insisting that this money come in as loan capital, not as equity capital.

I would remind members of this House that Canada is the only western nation which has permitted foreign investment without limit, without rules, without permit. Every country in Europe, and even countries in Asia like Japan, have established rules with regard to foreign investment which require the investor to obtain a licence or a permit. We have instituted some rules in the fields of banking and communications but, generally speaking, we have permitted foreign investment to go on in the absence of any rules or permit requirement. The amendments I have the honour to move on behalf of my hon. friends from Waterloo and Regina East go to the heart of this legislation. We are, basically, advancing a proposition that this bill, poor though it is, that this corporation, amorphous though it is, be made to serve the interests of the Canadian people and not the interests of the shareholders and the profit-makers of this country. This, in essence, is what these amendments propose. I suppose the plea which we are making will go unheeded but I warn the government that recent events, electoral if you like, in Brant and elsewhere, recent indications in Gallup polls, show that a much greater awareness exists on the part of the Canadian people as to the economic situation of this country and a much greater determination to take control of our economic destiny.

I say to hon. members of the Conservative party from the west that there is no part of this country, west, east or centre, in which there are not thousands of Canadians growing daily more distressed by the continuing exploitation of this country by foreign-controlled interests. This is the first issue which the CDC should have been able to confront. But it will have no power to do anything with regard to repatriating any part of Canada's economy. The natural resources of this country will continue to be owned by foreign corporations, and those resources will continue to be shipped out in a raw or semi-raw state; and with that kind of export we export jobs, leaving the Atlantic provinces and parts of the west and northern Ontario with communities which are not viable, which cannot thrive. And when the non-renewable resources have been exhausted, when they have been taken out of the ground and shipped all over the world, the communities concerned become ghost towns. I have seen such places all over the eastern provinces and elsewhere in my travels across the country.

What will this corporation do to lessen the economic inequality in this country? Again, nothing. One of the reasons we proposed a Canada development fund in 1961 was our conviction, and it has proven more accurate every day, that the under-developed parts of Canada will